

Safety and Claims Management / 5420

| | 2004 Actual ¹ | 2005 Adopted ² | 2005 Estimated ³ | 2006 Proposed | 2007 Projected | 2008 Projected |
|-----------------------------------------------------------|---------------------------------|----------------------------------|------------------------------------|----------------------|-----------------------|-----------------------|
| Beginning Fund Balance | 8,050,149 | 7,797,981 | 6,065,077 | 7,096,801 | 13,751,375 | 21,756,788 |
| Revenues | | | | | | |
| * Charges for Service ⁴ | 23,750,782 | 28,846,294 | 28,490,139 | 37,083,146 | 40,216,672 | 43,614,981 |
| * Miscellaneous Revenue ⁵ | 807,640 | 844,177 | 844,177 | 844,177 | 911,711 | 984,648 |
| * Interest Income | 160,982 | 201,416 | 201,416 | 201,416 | 510,519 | 809,151 |
| Total Revenues | 24,719,404 | 29,891,887 | 29,535,732 | 38,128,739 | 41,638,902 | 45,408,780 |
| Expenditures | | | | | | |
| * Operating Expenditures ⁶ | (26,704,476) | (3,734,853) | (3,720,273) | (16,984,639) | (17,833,871) | (18,725,564) |
| * Direct Claim Expenditures ⁷ | | (18,746,974) | (18,746,974) | (8,095,322) | (8,807,710) | (9,582,789) |
| * Indirect Claim Expenditures | | (4,600,000) | (4,600,000) | (5,300,000) | (5,766,400) | (6,273,843) |
| * Excess Insurance Premiums ⁸ | | (1,436,761) | (1,436,761) | (1,094,204) | (1,225,508) | (1,372,569) |
| * Contingency Reserve | | (2,000,000) | (2,000,000) | (2,000,000) | (2,000,000) | (2,000,000) |
| Total Expenditures | (26,704,476) | (30,518,588) | (30,504,008) | (33,474,165) | (35,633,490) | (37,954,766) |
| Estimated Underexpenditures | | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| Other Fund Transactions | | | | | | |
| * | | | | | | |
| Total Other Fund Transactions | 0 | 0 | 0 | 0 | 0 | 0 |
| Ending Fund Balance | 6,065,077 | 9,171,280 | 7,096,801 | 13,751,375 | 21,756,788 | 31,210,801 |
| Less: Reserves & Designations | | | | | | |
| * Worker's Compensation Claim Liabilities ^{9,10} | (14,130,048) | (19,528,402) | (53,856,000) | (58,595,328) | (63,751,717) | (69,361,868) |
| * Worker's Compensation Reserve Shortfall | 8,064,971 | 10,357,122 | 46,759,199 | 44,843,953 | 41,994,929 | 38,151,067 |
| Total Reserves & Designations | (6,065,077) | (9,171,280) | (7,096,801) | (13,751,375) | (21,756,788) | (31,210,801) |
| Ending Undesignated Fund Balance | -- | -- | -- | -- | -- | -- |
| Target Fund Balance ¹¹ | 14,130,048 | 19,528,402 | 53,856,000 | 58,595,328 | 63,751,717 | 69,361,868 |

Financial Plan Notes:

¹ From 2005 1st Quarter Report.

² From 2005 Council Adopted Budget.

³ From 2005 2nd Quarter Report.

⁴ Service charges increase 8.45% annually to build liability reserves.

⁵ Miscellaneous revenues projected to grow 8% annually in 2007 and 2008.

⁶ Operating expenditures projected to grow 5% annually in 2007 and 2008.

⁷ Direct, indirect claims and worker's compensation claim liabilities projected to grow 8.8% annually in 2007 and 2008.

⁸ Insurance premiums projected to grow 12% annually in 2007 and 2008.

⁹ From 2005 actuary estimate for claim liabilities.

¹⁰ Industrial insurance rates increased as per a fund balance accumulation plan, to build fund balance to fully fund the actuarial liability.

¹¹ Target fund balance to equal Worker's Compensation Claim Liabilities.